

Defense Budget.....	2
♦ ESTIMATED COSTS OF U.S. OPERATIONS IN IRAQ UNDER TWO SPECIFIED SCENARIOS	2
♦ US DEFENSE PLANNING: THE CHALLENGE OF RESOURCES	2
East Asia	2
♦ STRING OF PEARLS: MEETING THE CHALLENGE OF CHINA'S RISING POWER ACROSS THE ASIAN LITTORAL	2
Foreign Aid	3
♦ AFRICA: U.S. FOREIGN ASSISTANCE ISSUES.....	3
♦ RESTRUCTURING U.S. FOREIGN AID: THE ROLE OF THE DIRECTOR OF FOREIGN ASSISTANCE.....	3
Middle East.....	4
♦ IRAN: U.S. CONCERNS AND POLICY RESPONSES	4
♦ ISRAEL-HAMAS-HEZBOLLAH: THE CURRENT CONFLICT	4
♦ ISRAELI-ARAB NEGOTIATIONS: BACKGROUND, CONFLICTS, AND U.S. POLICY	5
♦ JORDAN: U.S. RELATIONS AND BILATERAL ISSUES	6
♦ LEBANON	6
Missile Defense.....	6
♦ MISSILE DEFENSE, THE SPACE RELATIONSHIP, AND THE TWENTY- FIRST CENTURY: 2007 REPORT	6
NATO	7
♦ NATO TAKES ON AFGHAN SECURITY	7
NonProliferation	7
♦ BANNING FISSILE MATERIAL PRODUCTION FOR NUCLEAR WEAPONS: PROSPECTS FOR A TREATY (FMCT)	7
Peacekeeping.....	8
♦ PEACEKEEPING AND RELATED STABILITY OPERATIONS: ISSUES OF U.S. MILITARY INVOLVEMENT	8
♦ UNITED NATIONS PEACEKEEPING: ISSUES FOR CONGRESS	8
South Asia.....	8
♦ INDIA-U.S. RELATIONS.....	8
♦ PAKISTAN-U.S. RELATIONS	9
Terrorism.....	9
♦ MOBILIZING INFORMATION TO PREVENT TERRORISM: ACCELERATING DEVELOPMENT OF A TRUSTED INFORMATION SHARING ENVIRONMENT.	9
♦ TRENDS IN TERRORISM: 2006.....	10
U.S. Forces.....	10

♦ THE CHALLENGE OF MEETING THE NEEDS OF OUR ACTIVE AND RESERVE MILITARY	10
♦ THE FUTURE OF THE NATIONAL GUARD AND RESERVES: THE BEYOND GOLDWATER-NICHOLS PHASE III REPORT	10
U.S. – Europe	11
♦ EUROPEAN APPROACHES TO HOMELAND SECURITY AND COUNTERTERRORISM.....	11
♦ THE UNITED STATES AND EUROPE: CURRENT ISSUES.....	11
Miscellaneous	12
♦ WAR POWERS RESOLUTION: PRESIDENTIAL COMPLIANCE.....	12

See previous “Documents on the Web” at
<http://france.usembassy.gov/irc/intrelations/webalert/default.htm>



Defense Budget

♦ ESTIMATED COSTS OF U.S. OPERATIONS IN IRAQ UNDER TWO SPECIFIED SCENARIOS

U.S. Congress, Congressional Budget Office, July 13, 2006, 26 p.
http://www.cbo.gov/ftpdocs/73xx/doc7393/07-13-IraqCost_Letter.pdf

The Congressional Budget Office (CBO) has estimated the funding provided for military and diplomatic operations in Iraq through June 30, 2006, as well as funding required for those operations over the 2007- 2016 period under two scenarios.

♦ US DEFENSE PLANNING: THE CHALLENGE OF RESOURCES

Anthony H. Cordesman and William D. Sullivan
 Center for Strategic and International Studies (CSIS), July 7, 2006, 42 p.
http://www.csis.org/component/option,com_csis_pubs/task,view/id,3327/type,1/

“The real issue ... is not to seek ways to reduce defense costs or resources, but rather to determine what levels of spending are actually needed and provide them. The US can almost certainly afford all of the national security it needs if it can manage other aspects of social programs and defense spending.”

East Asia

♦ STRING OF PEARLS: MEETING THE CHALLENGE OF CHINA'S RISING POWER ACROSS THE ASIAN LITTORAL

Christopher J Pehrson.
 United States Army War College, Strategic Studies Institute (SSI). July 2006, 36 p.
<http://www.strategicstudiesinstitute.army.mil/pubs/download.cfm?q=721>

A 2005 report entitled "Energy Futures in Asia," produced by the defense contractor Booz Allen Hamilton, first outlined what is now known as China's "string of pearls" strategy: "China is building strategic relationships along the sea lanes from the Middle East to the South China Sea in ways that suggest defensive and offensive positioning to protect China's energy interests, but also to serve broad security objectives..."

The purpose of this paper is to analyze the "string of pearls" from within the context of the post-Cold War global security environment. The author proposes regional security cooperation and military-to-military programs with China. He sums up his view of the situation: "The 'String of Pearls' is more than a naval or military strategy. It also is more than a regional strategy. It is a manifestation of China's ambition to attain great power status and secure a self-determined, peaceful, and prosperous future. For the United States, a rising China presents great opportunity, but this opportunity is fraught with potential risks. With bold leadership and prudent foresight, the United States and China can reap the rewards of strategic cooperation and avert the calamity of a hostile confrontation."

Foreign Aid

◆ AFRICA: U.S. FOREIGN ASSISTANCE ISSUES

Ted Dagne, Specialist in International Relations, Foreign Affairs, Defense, and Trade Division
Congressional Research Service, The Library of Congress, July 28, 2006, 21 p.
<http://fpc.state.gov/fpc/c6694.htm>

"U.S. assistance reaches Africa through a variety of channels, including USAID-administered DA and Child Survival programs, food aid programs, and refugee assistance. The Peace Corps is expanding in Africa and plans to have about 2,700 volunteers there by the end of FY2005. The U.S. African Development Foundation makes small grants to cooperatives, youth groups, and self-help organizations. U.S. security assistance, though still far below levels seen in the 1980s, has increased in recent years, primarily because of U.S. support for African peacekeeping initiatives. The World Bank's International Development Association (IDA) is the principal multilateral channel for U.S. aid, but the United States also contributes to the African Development Bank and Fund and to United Nations activities in Africa."

◆ RESTRUCTURING U.S. FOREIGN AID: THE ROLE OF THE DIRECTOR OF FOREIGN ASSISTANCE

Larry Nowels and Connie Veillette.
Congressional Research Service, The Library of Congress, June 16, 2006, 14 p.
<http://www.fas.org/sgp/crs/row/RL33491.pdf>

The creation of a new State Department position - Director of Foreign Assistance (DFA) - has sparked congressional interest regarding the management of U.S. foreign aid programs, its possible impact on funding levels, and any possible future reform of foreign aid operations and account structure. The DFA, who serves concurrently as Administrator of the U.S. Agency for International Development (USAID) is Randall Tobias, the former Global AIDS Coordinator. The DFA will have authority over most State Department and USAID programs, although major foreign aid programs, such as the Millennium Challenge Account, the Office of the Global AIDS Coordinator, and the Office for Reconstruction and Stabilization will remain outside of his scope. The DFA will also provide "guidance" to other agencies that have foreign aid programs.

Details of how the restructuring will operate are in the process of being defined. The restructuring raises a number of questions about how Tobias will be able to coordinate aid programs spread throughout almost every government department. Executive officials have said that the current restructuring is a first step in a more thorough overhaul of U.S. foreign assistance. The restructuring is part of Secretary Rice's "transformational development" initiative, that seeks to use foreign assistance to transform recipient countries' economic development paths, and to graduate countries from a dependence on aid.

Even before the current aid restructuring, some have asserted that congressional earmarks hamper the Administration's flexibility to respond to changing world events and to prioritize aid objectives. Congress regularly exercises its prerogative to direct funds to certain countries and for certain objectives in the annual foreign operations appropriation bills, that are in many cases different from the Administration's budget request.

Because the initial framework is being implemented within existing appropriation accounts, and without legislation that would restructure foreign aid in general, it is possible that congressional priorities may not always correspond to the strategic framework as developed by the DFA. Congress and executive officials will have to confront the challenge of how congressional priorities will be reflected in the framework.

Middle East

◆ IRAN: U.S. CONCERNS AND POLICY RESPONSES

Kenneth Katzman

Congressional Research Service, The Library of Congress, updated July 31, 2006, 48 p.
<http://www.fas.org/sgp/crs/mideast/RL32048.pdf>

According to the Administration's "National Security Strategy" document released in March 2006, [See: <<http://www.whitehouse.gov/nsc/nss.html>>.] the United States "may face no greater challenge from a single country than Iran." That perception might have intensified following the Iranian-allied, Lebanese Hizballah's military challenge to Israel in July 2006.

To date, the Bush Administration has pursued several avenues to attempt to contain the potential threat posed by Iran, including supporting a long-term policy of changing Iran's regime. However, the near-term Administration drive to prevent any Iranian nuclear weapons breakthrough has brought diplomatic and economic strategies to the forefront of U.S. policy. As part of that effort, the Bush Administration announced May 31 it would negotiate with Iran in concert with U.S. allies. In past years, the Bush Administration had only limited dialogue with Iran on specific regional issues. If diplomacy and sanctions do not succeed, some advocate military action against Iran's nuclear infrastructure rather than acquiescence to a nuclear-armed Iran.

Mistrust between the United States and Iran's regime has run deep for over two decades, even before the emergence of a dispute over Iran's nuclear program. Many experts say that all factions in Iran are united on major national security issues and that U.S.-Iran relations might not improve unless or until the Islamic regime is removed or moderates substantially, even if a nuclear deal is reached and implemented.

Others say that, despite Mahmud Ahmadinejad's presidency, the United States and Iran have a common interest in stability in the Persian Gulf and South Asia regions in the aftermath of the defeat of the Taliban and the regime of Saddam Hussein. Those who take this view say that Iran is far more secure now that the United States has removed these two regimes, and it might be more willing than previously to accommodate U.S. interests in the Gulf. Others say that the opposite is more likely, that Iran now feels more encircled than ever by pro-U.S. regimes and U.S. forces guided by a policy of pre-emption, and Iran might redouble its efforts to develop WMD and other capabilities to deter the United States.

◆ ISRAEL-HAMAS-HEZBOLLAH: THE CURRENT CONFLICT

Jeremy M. Sharp, Christopher Blanchard, Kenneth Katzman, Carol Migdalovitz, Alfred Prados, Paul Gallis, Dianne Rennack, John Rollins, Marjorie Browne, Steve Bowman, Connie Veillette, and Larry Kumins

Congressional Research Service, The Library of Congress, July 21, 2006, 45 p.
<http://www.fas.org/sgp/crs/mideast/RL33566.pdf>

This report analyzes the current conflict between Israel and two U.S. State Department-designated Foreign Terrorist Organizations (FTOs) -- the Lebanese Shiite Muslim group Hezbollah and the radical Palestinian Hamas organization. On July 12, 2006, what had been a localized conflict between Israel and Palestinian militants in the Gaza Strip instantly became a regional conflagration, after Hezbollah captured two Israeli soldiers in a surprise attack along the

Israeli-Lebanese border. Israel has responded by carrying out air strikes against suspected Hezbollah targets in Lebanon, and Hezbollah has countered with rocket attacks against cities and towns in northern Israel. Meanwhile, Israeli clashes with Hamas and other Palestinian militants have continued in the Gaza Strip.

The extension of the Israeli-Palestinian conflict into the Lebanese arena has created a multifaceted crisis which cuts across a number of U.S. policy issues in the Middle East. This report not only discusses the current military situation, but its implications for regional stability, Syrian influence in Lebanon, Iranian regional aspirations and its pursuit of weapons of mass destruction, and energy security.

◆ ISRAELI-ARAB NEGOTIATIONS: BACKGROUND, CONFLICTS, AND U.S. POLICY

Carol Migdalovitz.

Congressional Research Service, The Library of Congress, updated July 25, 2006, 35 p.
<http://www.fas.org/sgp/crs/mideast/RL33530.pdf>

From the report summary: "After the first Gulf war, in 1991, a new peace process involved bilateral negotiations between Israel and the Palestinians, Jordan, Syria, and Lebanon. On September 13, 1993, Israel and the Palestine Liberation Organization (PLO) signed a Declaration of Principles (DOP), providing for Palestinian empowerment and some territorial control. On October 26, 1994, Israeli Prime Minister Yitzhak Rabin and King Hussein of Jordan signed a peace treaty. Israel and the Palestinians signed an Interim Self-Rule in the West Bank, known as the Oslo II accord, on September 28, 1995, which led to the formation of the Palestinian Authority (PA) to govern the West Bank and Gaza.

The Palestinians and Israelis signed additional incremental accords in 1997, 1998, and 1999. Israeli-Syrian negotiations were intermittent and difficult, and were postponed indefinitely in 2000. On May 24, 2000, Israel unilaterally withdrew from south Lebanon after unsuccessful negotiations. From July 11 to 24, 2000, President Clinton held a summit with Israeli and Palestinian leaders at Camp David on final status issues, but they did not produce an accord. A Palestinian uprising or intifadah began that September. On February 6, 2001, Ariel Sharon was elected Prime Minister of Israel, and rejected steps taken at Camp David and afterwards.

The post 9/11 war on terrorism prompted renewed U.S. focus on a peace process, emphasizing as its goal a democratic Palestinian state as a prerequisite for achieving peace. On April 30, 2003, the United States, the U.N., European Union, and Russia (known as the "Quartet") presented a "Roadmap" to Palestinian statehood within three years. It has not been implemented by either Israel or the Palestinians. In what he considered the absence of a Palestinian partner for peace, Sharon proposed that Israel unilaterally withdraw from the Gaza Strip and four small settlements in the West Bank. On August 23, 2005, Israel completed its disengagement from Gaza.

PA Chairman/President Yasir Arafat died on November 11, 2004; on January 9, 2005, Mahmud Abbas was elected to succeed him and seek final status talks. Since Hamas, which Israel and the United States consider a terrorist group, won the January 2006 Palestinian parliamentary elections, however, the situation has been complicated. Israeli officials have offered ideas for unilateral disengagement from more of the West Bank, but not a fully developed plan. The U.S. Administration and others have urged them to negotiate first. The recent kidnappings of Israeli soldiers by Hamas and Hezbollah sparked conflicts in Gaza and Lebanon and cast new shadows on the prospects for future talks.

Congress is interested in issues related to Middle East peace because of its oversight role in the conduct of U.S. foreign policy, its support for Israel, and keen constituent interest. It is especially concerned about U.S. financial and other commitments to the parties. Members have also repeatedly endorsed Jerusalem as the undivided capital of Israel, although U.S. Administrations have consistently maintained that the fate of the city is the subject of final status negotiations."

♦ JORDAN: U.S. RELATIONS AND BILATERAL ISSUES

Alfred B. Prados, Specialist in Middle Eastern Affairs, Jeremy M. Sharp, Analyst in Middle Eastern Affairs, Foreign Affairs, Defense, and Trade Division
Congressional Research Service, The Library of Congress, July 14, 2006, 19 p.
<http://fpc.state.gov/fpc/c6694.htm>

"Although the United States and Jordan have never been linked by a formal treaty, they have cooperated on a number of regional and international issues over the years. The country's small size and lack of major economic resources have made it dependent on aid from Western and friendly Arab sources. U.S. support, in particular, has helped Jordan deal with serious vulnerabilities, both internal and external. Jordan's geographic position, wedged between Israel, Syria, Iraq, and Saudi Arabia, has made it vulnerable to the strategic designs of its more powerful neighbors, but has also given Jordan an important role as a buffer between these potential adversaries. In 1990, Jordan's unwillingness to join the allied coalition against Iraq disrupted its relations with the United States and the Persian Gulf states; however, relations improved throughout the 1990s as Jordan played an increasing role in the Arab-Israeli peace process and distanced itself from Saddam Hussein's Iraq."

♦ LEBANON

Alfred B. Prados
Congressional Research Service, The Library of Congress, updated July 24, 2006, 24 p.
<http://www.fas.org/sgp/crs/mideast/RL33509.pdf>

From the report: "The United States and Lebanon have traditionally enjoyed good relations, rooted in long-standing contacts and interaction beginning well before Lebanon's emergence as a modern state. Factors contributing to this relationship include a large Lebanese-American community (a majority of Arab-Americans are of Lebanese origin); the pro-Western orientation of many Lebanese, particularly during the Cold War; cultural ties exemplified by the presence of U.S. universities in Lebanon; Lebanon's position as a partial buffer between Israel and its principal Arab adversary, namely Syria; Lebanon's democratic and partially Christian antecedents; and Lebanon's historic role as an interlocutor for the United States within the Arab world."

Further comments from this report concerning recent events include: "Regional tensions increased in mid-2006, however, as clashes between Israel and Palestinian militants in the Gaza territory spread to Lebanon. In July, Hizballah rocket attacks against Israel and capture of two Israeli soldiers prompted large-scale Israeli bombing of Hizballah positions and Lebanese infrastructure."

Missile Defense

♦ MISSILE DEFENSE, THE SPACE RELATIONSHIP, AND THE TWENTY-FIRST CENTURY: 2007 REPORT

Institute for Foreign Policy Analysis, Inc. (IFPA), Independent Working Group, July 2006, 202 p.
<http://www.ifpa.org/pdf/IWGREport.pdf>

Formed in 2002, the Independent Working Group's (IWG's) goals were to:

- 1) Examine the evolving threats to the United States, its overseas forces, allies, and coalition partners from the proliferation of ballistic missiles;
- 2) Examine missile defense requirements in the twenty-first-century security setting;
- 3) Assess current missile defense programs in light of opportunities afforded by U.S. withdrawal from the ABM Treaty; and
- 4) Set forth general and specific recommendations for a layered missile defense for the United States.

In the report the members of the IWG advocate a strengthened space-based missile defense system, and present the following recommendations:

- * Limit Ground-based Missile Defense (GMD) Deployments.
- * Expand Sea-Based Defenses.
- * Develop and Deploy Space-Based Defenses.
- * Reaffirm the U.S. Commitment to Space.
- * Strengthen Missile Defense Collaboration with Allies.
- * Develop New Organizational Structures for Space and Missile Defense.
- * Create a Vigorous, Innovative, and Sustainable Science and Technology Workforce.
- * Educate the American Public about Missile Threats and the Benefits of Missile Defense.

NATO

◆ NATO TAKES ON AFGHAN SECURITY

Esther Pan

Council on Foreign Relations, Backgrounder, July 27, 2006

http://www.cfr.org/publication/11166/nato_takes_on_afghan_security.html

As NATO prepares to take over military operations in southern Afghanistan from U.S. forces, the Taliban's increasingly bold attacks are straining the political and security framework of the country.

NonProliferation

◆ BANNING FISSILE MATERIAL PRODUCTION FOR NUCLEAR WEAPONS: PROSPECTS FOR A TREATY (FMCT)

Sharon Squassoni, Andrew Demkee and Jill Marie Parillo.

Congressional Research Service, The Library of Congress, July 14, 2006, 6 p.

<http://www.fas.org/sgp/crs/nuke/RS22474.pdf>

Most nonproliferation experts consider acquiring fissile material to be the key hurdle in developing nuclear weapons. Such material - plutonium-239, uranium-233, and uranium enriched in the isotope U-235 - is produced several ways. Only the isotope U-235 occurs naturally, but it cannot be used to create a nuclear yield unless it is concentrated significantly. Pu-239 is created in a nuclear reactor by irradiating natural uranium (U-238), which absorbs a neutron to decay into Pu-239. The Pu-239 must then be chemically separated from highly radioactive fission products to be usable in a nuclear weapon. Spent fuel reprocessing plants perform this chemical separation, but it can also be done on a smaller scale, with remote handling and adequate shielding against radiation hazards.

U-233 is produced in a reactor by irradiating thorium-232, and also requires chemical separation from fission products. High-enriched uranium (HEU), the ingredient in the first U.S. nuclear bomb, is produced by concentrating the isotope U-235 in an enrichment plant. Although HEU is defined as containing 20% or more U-235, weapons-grade HEU generally requires about 90% U-235.

On May 18, 2006, the United States proposed a draft Fissile Material Cutoff Treaty (FMCT) at the Conference on Disarmament (CD) in Geneva. The U.S. draft treaty would enter into force with only the five established nuclear weapon states. It:

- * Would ban new production of plutonium and highly enriched uranium for use in nuclear weapons for 15 years;
- * Could be extended only by consensus of the parties;
- * Would allow high-enriched uranium production for naval fuel; and
- * Contains no provisions for verification other than national technical means.

The next step is for the CD to adopt a negotiating mandate, the prospects for which appear uncertain, given continued linkage by some states of FMCT negotiations with other disarmament talks. The CD meets again from July 31 to September 15.

Peacekeeping

◆ PEACEKEEPING AND RELATED STABILITY OPERATIONS: ISSUES OF U.S. MILITARY INVOLVEMENT

Nina M. Serafino, Foreign Affairs, Defense, and Trade Division
Congressional Research Service, The Library of Congress, updated July 13, 2006, 20 p.

A major issue Congress continues to face is what, if any, adjustments should be made in order for the U.S. military to perform peacekeeping and stability missions - in Afghanistan, Iraq, or elsewhere - with less strain on the force, particularly the reserves. Of particular interest is whether the size and configuration of U.S. forces, especially the Army, should be further modified. Additional issues are whether to augment civilian and international capabilities in order to take on more of the burden.

◆ UNITED NATIONS PEACEKEEPING: ISSUES FOR CONGRESS

Marjorie Ann Browne, Foreign Affairs, Defense, and Trade Division
Congressional Research Service, The Library of Congress, updated July 5, 2006, 16 p.

A major issue facing the United Nations, the United States, and Congress concerning United Nations peacekeeping is the extent to which the United Nations has the capacity to restore or keep the peace in the changing world environment. Associated with this issue is the need for a reliable source of funding and other resources for peacekeeping and improved efficiencies of operation.

South Asia

◆ INDIA-U.S. RELATIONS

K. Alan Kronstadt.
Congressional Research Service, The Library of Congress, updated July 31, 2006, 26 p.
<http://www.fas.org/sgp/crs/row/RL33529.pdf>

Among the recent bilateral developments highlighted in this update are:

* On July 26, the House of Representatives passed the United States and India Nuclear Cooperation Promotion Act of 2006 (H.R. 5682) by a vote of 359-68. Amendments to require Presidential certifications related to India's domestic uranium usage, its fissile material production, and its policy toward Iran each failed. A related bill (S. 3709) was passed by the Senate Foreign Relations Committee on June 29 and may soon come before the full Senate. [Note: Senate Report 109-288 is at: <http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=109_cong_reports&docid=f:sr288.109.pdf>.]

* On July 24, the Doha round of global trade negotiations was suspended indefinitely following a failed meeting of the six major participants, including the United States and India. Commerce Minister Nath later blamed the United States for the failure, saying it "brought nothing new to the table."

* On July 11, a series of explosions on Bombay commuter trains left nearly 200 people dead and more than 700 injured. Days later, Prime Minister Singh said the attackers were "supported by elements across the border" and he postponed planned foreign secretary-level talks with Pakistan, saying "the environment is not conducive." On July 28, Bombay police said that six Indian Muslim suspects detained in connection with the 7/11 Bombay bombings confessed to having received weapons and explosives training in Pakistan. The Bush Administration condemned the Bombay "atrocities" in the "strongest possible terms." Senate and House

resolutions (S.Res. 527; H.Res. 913) strongly condemning the bombings and expressing sympathy for the victims were passed on July 12 and July 19, respectively.

◆ **PAKISTAN-U.S. RELATIONS**

K. Alan Kronstadt.

Congressional Research Service, The Library of Congress, updated July 27, 2006, 27 p.
<http://www.fas.org/sgp/crs/row/RL33498.pdf>

Among the recent developments of bilateral concern highlighted in this update are:

* Heavy fighting in Afghanistan brought renewed complaints from U.S. military commanders that Taliban forces there are being directed by commanders across the border in Pakistan. Pro-Taliban tribals and their Al Qaeda-linked allies appear to have consolidated control of significant areas near the Afghan border. On June 25, Islamic militants in North Waziristan called a unilateral 30-day cease-fire to allow for a "jirga," or tribal council, seeking resolution with government forces. Subsequent jirgas have been held with government authorities present and Islamabad has released hundreds of detained militants in a show of goodwill. On July 22, militants extended the cease-fire for another 30 days to allow for continued dialogue.

* On July 10, in S.Rept. 109-277 [See: <http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=109_cong_reports&docid=f:sr277.109.pdf>], the Senate Appropriations Committee called for redirecting some of the Administration's requested FY2007 U.S. economic aid to Pakistan toward development and democracy promotion programs. The committee recognized Pakistan as "a key and essential ally in the war on terrorism" while expressing grave concern with "violations of human rights in that country."

* A July 24 report claimed that Pakistan is in the midst of constructing a major heavy water nuclear reactor. Upon completion, the 1,000-megawatt reactor might boost Pakistan's weapons-grade plutonium production capabilities to more than 200 kilograms per year, or enough for up to 50 nuclear weapons. The Bush Administration responded by claiming it has been aware of Pakistani plans and discourages the use of the facility for military purposes. Some in Congress, who were not briefed about the new Pakistani reactor, are concerned by the possibilities of a regional competition in fissile material production, perhaps including China.

Terrorism

◆ **MOBILIZING INFORMATION TO PREVENT TERRORISM: ACCELERATING DEVELOPMENT OF A TRUSTED INFORMATION SHARING ENVIRONMENT.**

Markle Foundation, Task Force on National Security in the Information Age, July 2006, 100 p.
http://www.markle.org/downloadable_assets/2006_nstf_report3.pdf

In the wake of the September 11, 2001, terrorist attacks, the Markle Foundation established the Task Force on National Security in the Information Age to address the question of how best to mobilize information and intelligence to improve domestic security while protecting established civil liberties. The Task Force members include some of the nation's leading experts on national security from the administrations of Presidents Carter, Reagan, George H. W. Bush, Clinton, and George W. Bush, as well as leading experts on information technology and civil liberties.

This is the Task Force's third report. The Task Force's first report, "Protecting America's Freedom in the Information Age" (October 2002), is available at:
<http://www.markle.org/downloadable_assets/nstf_part_1.pdf> ; the second report, "Creating a Trusted Network for Homeland Security" (December 2003), is available at:
<http://www.markle.org/downloadable_assets/nstf_report2_full_report.pdf> .

This third report offers recommendations on how to reconcile national security needs with civil liberties requirements. It offers a new "authorized use" standard for government handling of

legally collected information that bases authorization to view information on how the information is going to be used, rather than on the nationality of the subject or the location of the collection. The Task Force also proposes a new risk management approach to sharing classified information that balances the risk of compromising classified information with the security risk that can come from failing to share information with those who need it to understand the threats to national security. The Task Force also identifies examples of effective technology for providing appropriate oversight and accountability.

◆ **TRENDS IN TERRORISM: 2006**

Raphael Perl

Congressional Research Service, The Library of Congress, July 21, 2006, 21 p.

<http://www.fas.org/sgp/crs/terror/RL33555.pdf>

This report addresses trends in terrorism identified in recent analyses by the State Department and the National Counter Terrorism Center (NCTC) [see: <http://www.state.gov/s/ct/rls/crt/c17689.htm>], as well as by independent analysts. It also identifies and discusses potential issues for Congress arising out of these analyses.

Perl summarizes the five major trends in the evolution of terrorism that are included in the State Department report: 1) more micro-actors; 2) increased sophistication; 3) overlap with international crime; 4) increase in suicide bombings/links between U.S. Iraqi operations and global terror; 5) decline in state-sponsored terrorism and increased state antiterrorism cooperation.

This report encapsulates the thinking of many experts within the State Department and in other organizations, that "the threat from small terrorist groups or lone terrorists is rising in frequency, as is the potential for these micro-actors to inflict deadly harm and costly economic damage." In light of the recent thwarted hijacking of U.S. - bound airliners in the United Kingdom, parts of this CRS report resonate: "Of growing concern is what many see as a trend by terrorists to launch near-simultaneous multiple attacks aimed at causing economic damage - such as attacks on transportation, tourism, and oil related targets and infrastructures".

U.S. Forces

◆ **THE CHALLENGE OF MEETING THE NEEDS OF OUR ACTIVE AND RESERVE MILITARY**

Anthony H. Cordesman William D. Sullivan

Center for Strategic and International Studies (CSIS), July 20, 2006, 81 p.

http://www.csis.org/component/option,com_csis_pubs/task,view/id,3387/type,1/

"The Iraq War has forced the US to restructure the assignments and skills of the manpower pool in both the active and reserve components, and seek to create a much more flexible force structure that emphasized "modularity" and tailoring the deployed force to the mission, rather than conventional war fighting. The Department of Defense has had to make an urgent effort to restructure its force posture to make its forces more deployable, shift men and women into specialties needed for the wars the US now has to fight, and seek more lasting solutions to reducing the strain on both the active and reserve components likely to be called up in long wars."

◆ **THE FUTURE OF THE NATIONAL GUARD AND RESERVES: THE BEYOND GOLDWATER-NICHOLS PHASE III REPORT**

Christine E. Wormuth, Michèle A. Flournoy, Patrick T. Henry, Clark A. Murdock

Center for Strategic and International Studies (CSIS), July 2006, 150 p.

http://www.csis.org/component/option,com_csis_pubs/task,view/id,3338/type,1/

"The way the United States uses its National Guard and Reserves has been evolving over the last decade, but for many of those years the changes went unnoticed, even by members of the defense community. With the September 11 attacks and subsequent operations in Afghanistan

and Iraq, however, the curtain has been raised on this process of transformation. Americans now see that the National Guard and Reserves are not just waiting in the wings in case the country goes to war, but rather are already an integral part of the military's operational force deployed around the world.

Is this remarkable change a short-term reaction to current events, or is it an appropriate shift for the longer term in light of future security challenges? How should the Reserve Component (RC) be organized, trained, and equipped to carry out the roles and missions of the future? What does it mean today to serve as a citizen-soldier, and does the social compact between the Department of Defense (DoD), RC members, their families, and their employers reflect these realities? In early 2005, the International Security Program (ISP) at the Center for Strategic and International Studies (CSIS) began an examination of these important issues as part of its ongoing Beyond Goldwater-Nichols project. The Guard and Reserve study team's goal was to provide practical, actionable recommendations to DoD to help shape the Reserve Component effectively for the future."

U.S. – Europe

♦ EUROPEAN APPROACHES TO HOMELAND SECURITY AND COUNTERTERRORISM.

Kristin Archick, Carl Ek, Paul Gallis, Francis T. Miko, and Steven Woehrel.
Library of Congress, Congressional Research Service. July 24, 2006, 51 p.
<http://www.fas.org/sgp/crs/homsec/RL33573.pdf>

Some U.S. policymakers and Members of Congress are taking an increasing interest in how European countries are organizing and managing homeland security issues and emergency preparedness and response, in light of both recent terrorist activity and last year's devastating Hurricane Katrina. In seeking to protect U.S. interests at home and abroad, many U.S. officials recognize that the actions or inaction of European allies can affect U.S. domestic security, especially given the U.S. Visa Waiver Program, which allows nationals of many European states to travel to the United States without a visa. Some experts suggest that greater U.S.-European cooperation in the field of homeland security is necessary in order to better guarantee security on both sides of the Atlantic.

This report examines homeland security and counterterrorist measures in six European countries: Belgium, France, Germany, Italy, Spain, and the United Kingdom. None of these European countries currently has a single ministry or department equivalent to the U.S. Department of Homeland Security. In most of these countries, responsibility for different aspects of homeland security and counterterrorism is scattered across several ministries, and inter-governmental cooperation plays a key role in addressing threats and challenges to domestic security. In some countries, such as the UK, Germany, and Belgium, responsibility for homeland security affairs is also split among federal and regional or state governments.

♦ THE UNITED STATES AND EUROPE: CURRENT ISSUES

Kristin Archick and Vince L. Morelli
Foreign Affairs, Defense, and Trade Division
Congressional Research Service, The Library of Congress, updated July 5, 2006, 6 p.
<http://fpc.state.gov/fpc/c16426.htm>

The United States and Europe share a long and intertwined history. Both sides of the Atlantic face a common set of international concerns, have few other comparable partners, and share a deep economic relationship. Despite much improvement in overall relations since the debate over Iraq policy, several foreign policy and trade issues have challenged U.S.-European relations in recent years. This report examines the current state of the transatlantic relationship and key issues that may have implications for U.S. interests during the 109th Congress. It will be updated as events warrant.

Miscellaneous

◆ WAR POWERS RESOLUTION: PRESIDENTIAL COMPLIANCE

Richard F. Grimmett, Foreign Affairs, Defense, and Trade Division
Congressional Research Service, The Library of Congress, updated July 11, 2006, 17 p.
<http://fpc.state.gov/fpc/c16426.htm>

On June 15, 2006, the President reported to Congress "consistent" with the War Powers Resolution, a consolidated report giving details of multiple ongoing United States military deployments and operations "in support of the war on terror," and in Kosovo, Bosnia and Herzegovina, and as part of the Multinational Force (MNF) in Iraq. Presently, about 131,000 military personnel were deployed in Iraq. U.S. forces were also deployed in the Horn of Africa region, and in Djibouti to support necessary operations against al-Qaida and other international terrorists operating in the region. U.S. military personnel continue to support the NATO-led Kosovo Force (KFOR). The current U.S. contribution to KFOR is about 1,700 military personnel. The NATO Headquarters-Sarajevo was established in November 22, 2004, as a successor to its stabilization operations in Bosnia-Herzegovina to continue to assist in implementing the peace agreement. Approximately 250 U.S. personnel are assigned to the NATO Headquarters-Sarajevo who assist in defense reform and perform operational tasks, such as "counter-terrorism and supporting the International Criminal Court for the Former Yugoslavia."

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<http://france.usembassy.gov/irc/default.htm>

